



DEPARTMENT OF COMMERCE

International Trade Administration

[A-570-914]

Light-Walled Rectangular Pipe and Tube from the People's Republic of China: Preliminary Results of the Antidumping Duty Administrative Review; 2019-2020

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The Department of Commerce (Commerce) preliminarily finds that Hangzhou Ailong Metal Products Co., Ltd. (Ailong) made sales of subject merchandise at prices below normal value (NV). The period of review (POR) is August 1, 2019, through July 31, 2020.

Interested parties are invited to comment on these preliminary results.

DATES: Applicable [INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*].

FOR FURTHER INFORMATION CONTACT: Thomas Hanna, AD/CVD Operations, Office IV, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230; telephone: (202) 482-0835.

SUPPLEMENTARY INFORMATION:

Background

This administrative review is being conducted in accordance with section 751(a) of the Tariff Act of 1930, as amended (the Act). On August 4, 2020, Commerce notified interested parties of the opportunity to request an administrative review of orders, findings, or suspended investigations with anniversaries in August 2020, including the antidumping duty (AD) order on light-walled rectangular pipe and tube (LWRPT) from the People's Republic of China (China).¹ On October 6, 2020, Commerce published a notice initiating an AD administrative review of

¹ See *Antidumping or Countervailing Duty Order, Finding, or Suspended Investigation; Opportunity To Request Administrative Review*, 85 FR 47167 (August 4, 2020).

LWRPT from China covering one company, Ailong, for the POR.² On April 15, 2021, Commerce extended the deadline for the preliminary results of this review by a total of 120 days, to August 31, 2021.³

During the course of this review, Ailong responded to Commerce's initial and supplemental questionnaires. Nucor Tubular Products, Inc. (Nucor), the petitioner, commented on certain responses. For details regarding the events that occurred subsequent to the initiation of the review, *see* the Preliminary Decision Memorandum.

Scope of the Order

The merchandise subject to this order is certain welded carbon quality light-walled steel pipe and tube, of rectangular (including square) cross section, having a wall thickness of less than 4 mm.⁴ For a full description of the scope, *see* the Preliminary Decision Memorandum.

Separate Rate Status

Based on the criteria established by *Sparklers*⁵ and *Silicon Carbide*,⁶ Commerce preliminarily determines that the information placed on the record by Ailong demonstrates an absence of *de jure* and *de facto* government control over its export activities. Therefore, we have preliminarily granted Ailong separate rate status. For details regarding our analysis, *see* the Preliminary Decision Memorandum.

China-Wide Entity

² *See Initiation of Antidumping and Countervailing Duty Administrative Reviews*, 85 FR 63081 (October 6, 2020).

³ *See* Memorandum, "Light-Walled Rectangular Pipe and Tube from the People's Republic of China: Extension of Deadline for Preliminary Results of Antidumping Duty Administrative Review," dated April 15, 2021.

⁴ For a complete description of the scope of the *Order*, *see* Light-Walled Rectangular Pipe and Tube from the People's Republic of China: Decision Memorandum for the Preliminary Results of the 2019-2020 Antidumping Duty Administrative Review (Preliminary Decision Memorandum) dated concurrently with this notice.

⁵ *See Final Determination of Sales at Less Than Fair Value: Sparklers from the People's Republic of China*, 56 FR 20588 (May 6, 1991) (*Sparklers*).

⁶ *See Notice of Final Determination of Sales at Less Than Fair Value: Silicon Carbide from the People's Republic of China*, 59 FR 22585 (May 2, 1994) (*Silicon Carbide*).

Commerce's policy regarding conditional review of the China-wide entity applies to this administrative review.⁷ Under this policy, the China-wide entity will not be under review unless a party specifically requests, or Commerce self-initiates, a review of the entity. Because no party requested a review of the China-wide entity in this review, the entity is not under review and the weighted-average dumping margin determined for the China-wide entity (*i.e.*, 255.07 percent) is not subject to change as a result of this review.⁸ For additional information, *see* the Preliminary Decision Memorandum.

Methodology

Commerce is conducting this review in accordance with section 751(a)(1)(B) of the Act. We calculated export prices and constructed export prices in accordance with section 772 of the Act. Because China is a non-market economy (NME) country within the meaning of section 771(18) of the Act, we calculated NV in accordance with section 773(c) of the Act.

For a full description of the methodology underlying the preliminary results of review, *see* the Preliminary Decision Memorandum, which is hereby adopted by this notice. The Preliminary Decision Memorandum is a public document and is on file electronically via Enforcement and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (ACCESS). ACCESS is available to registered users at <https://access.trade.gov>. In addition, a complete version of the Preliminary Decision Memorandum can be accessed directly at <http://enforcement.trade.gov/frn/>. A list of sections in the Preliminary Decision Memorandum is in the appendix to this notice.

Preliminary Results of Review

We are assigning the following weighted-average dumping margin to the firm listed below for the period August 1, 2019, through July 31, 2020:

⁷ *See Antidumping Proceedings: Announcement of Change in Department Practice for Respondent Selection in Antidumping Duty Proceedings and Conditional Review of the Nonmarket Economy Entity in NME Antidumping Duty Proceedings*, 78 FR 65963 (November 4, 2013).

⁸ *See Order*, 84 FR at 19036.

Producers/Exporters	Weighted-Average Dumping Margin (Percent)
Hangzhou Ailong Metal Products Co., Ltd. (Ailong)	157.40

Disclosure and Public Comment

Commerce intends to disclose to parties to the proceeding the calculations performed for these preliminary results of review within five days of the date of publication of this notice in the *Federal Register* in accordance with 19 CFR 351.224(b). Interested parties may submit case briefs to Commerce no later than 30 days after the date of publication of these preliminary results of review in the *Federal Register*.⁹ Rebuttal briefs may be filed with Commerce no later than seven days after case briefs are due and may respond only to arguments raised in the case briefs.¹⁰ Parties who submit case briefs or rebuttal briefs in this proceeding are encouraged to submit with each argument: (1) a statement of the issue; (2) a brief summary of the argument; and (3) a table of authorities.¹¹ A table of contents, list of authorities used, and an executive summary of issues should accompany any briefs submitted to Commerce. The summary should be limited to five pages total, including footnotes.¹² Case and rebuttal briefs should be filed using ACCESS and must be served on interested parties.¹³

Pursuant to 19 CFR 351.310(c), interested parties who wish to request a hearing, limited to issues raised in the case and rebuttal briefs, must submit a written request to the Assistant Secretary for Enforcement and Compliance, U.S. Department of Commerce, within 30 days after the date of publication of this notice in the *Federal Register*. Requests for a hearing should contain: (1) the requesting party's name, address, and telephone number; (2) the number of individuals associated with the requesting party that will attend the hearing and whether any of those individuals is a foreign national; and (3) a list of the issues the party intends to discuss at

⁹ See 19 CFR 351.309(c)(1)(ii).

¹⁰ See 19 CFR 351.309(d).

¹¹ See 19 CFR 351.309(c)(2) and (d)(2).

¹² *Id.*

¹³ See 19 CFR 351.303 (for general filing requirements)

the hearing. Oral arguments at the hearing will be limited to issues raised in the briefs. If a request for a hearing is made, Commerce will announce the date and time of the hearing. Parties should confirm by telephone the date and time of the hearing two days before the scheduled hearing date.

All submissions, with limited exceptions, must be filed electronically using ACCESS.¹⁴ An electronically filed document must be received successfully in its entirety by Commerce's electronic records system, ACCESS, by 5 p.m. Eastern Time (ET) on the due date.¹⁵ Note that Commerce has temporarily modified certain of its requirements for serving documents containing business proprietary information until further notice.¹⁶ Unless otherwise extended, Commerce intends to issue the final results of this administrative review, which will include the results of its analysis of issues raised in any briefs, within 120 days of publication of these preliminary results of review in the Federal Register, pursuant to section 751(a)(3)(A) of the Act.

Assessment Rates

Upon issuance of the amended final results of review, Commerce will determine, and U.S. Customs and Border Protection (CBP) shall assess, antidumping duties on all appropriate entries covered by the amended final results of review.¹⁷ Commerce intends to issue assessment instructions to CBP no earlier than 35 days after the date of publication of the amended final results of this review in the *Federal Register*. If a timely summons is filed at the U.S. Court of International Trade, the assessment instructions will direct CBP not to liquidate relevant entries until the time for parties to file a request for a statutory injunction has expired (*i.e.*, within 90 days of publication).

¹⁴ *Id.*; *Antidumping and Countervailing Duty Proceedings: Electronic Filing Procedures; Administrative Protective Order Procedures*, 76 FR 39263 (July 6, 2011).

¹⁵ *Id.*

¹⁶ See *Temporary Rule Modifying AD/CVD Service Requirements Due to COVID-19; Extension of Effective Period*, 85 FR 29615 (May 18, 2020); and *Temporary Rule Modifying AD/CVD Service Requirements Due to COVID-19; Extension of Effective Period*, 85 FR 41363 (July 10, 2020).

¹⁷ See 19 CFR 351.212(b)(1).

We will calculate importer/customer-specific assessment rates equal to the ratio of the total amount of dumping calculated for examined sales to a particular importer/customer to the total entered value of those sales, in accordance with 19 CFR 351.212(b)(1).¹⁸ Where the respondent reported reliable entered values, Commerce intends to calculate importer/customer-specific *ad valorem* assessment rates by dividing the total amount of dumping calculated for all reviewed U.S. sales to the importer/customer by the total entered value of the merchandise sold to the importer/customer.¹⁹ Where the respondent did not report entered values, Commerce will calculate importer/customer-specific assessment rates by dividing the total amount of dumping calculated for all reviewed U.S. sales to the importer/customer by the total quantity of those sales. Commerce will calculate an estimated *ad valorem* importer/customer-specific assessment rate to determine whether the per-unit assessment rate is *de minimis*; however, Commerce will use the per-unit assessment rate where entered values were not reported.²⁰ Where an importer/customer-specific *ad valorem* assessment rate is not zero or *de minimis*, Commerce will instruct CBP to collect the appropriate duties at the time of liquidation. Where either the respondent's *ad valorem* weighted-average dumping margin is zero or *de minimis*, or an importer/customer-specific *ad valorem* assessment rate is zero or *de minimis*,²¹ Commerce will instruct CBP to liquidate the appropriate entries without regard to antidumping duties.

Pursuant to Commerce's refinement to its practice, for sales that were not reported in the U.S. sales database submitted by a respondent individually examined during this review, Commerce will instruct CBP to liquidate the entry of such merchandise at the dumping margin assigned to the China-wide entity.²² Additionally, where Commerce determines that an exporter under review had no shipments of subject merchandise to the United States during the POR, any

¹⁸ We applied the assessment rate calculation method adopted in Antidumping Proceedings: *Calculation of the Weighted-Average Dumping Margin and Assessment Rate in Certain Antidumping Proceedings: Final Modification*, 77 FR 8101 (February 14, 2012).

¹⁹ See 19 CFR 351.212(b)(1).

²⁰ *Id.*

²¹ See 19 CFR 351.106(c)(2).

²² See *Non-Market Economy Antidumping Proceedings: Assessment of Antidumping Duties*, 76 FR 65694 (October 24, 2011), for a full discussion of this practice.

suspended entries of subject merchandise that entered under that exporter's CBP case number during the POR will be liquidated at the dumping margin assigned to the China-wide entity.

In accordance with section 751(a)(2)(C) of the Act, the final results of this review shall be the basis for the assessment of antidumping duties on entries of merchandise covered by the final results of this review and for future deposits of estimated antidumping duties, where applicable.

Cash Deposit Requirements

The following cash deposit requirements will be effective for all shipments of light-walled rectangular pipe and tube from China entered, or withdrawn from warehouse, for consumption on or after the date of publication of the notice of the final results of this administrative review in the *Federal Register*, as provided for by section 751(a)(2)(C) of the Act: (1) for companies granted a separate rate in the final results of this review, the cash deposit rate will be equal to the weighted-average dumping margin established in the final results of this review for the company (except, if the rate *de minimis*, then a cash deposit rate of zero will be required); (2) for previously investigated or reviewed China and non-China exporters not listed above that received a separate rate in a prior segment of this proceeding, the cash deposit rate will continue to be the existing exporter-specific rate; (3) for all China exporters of subject merchandise that have not been found to be entitled to a separate rate, the cash deposit rate will be the rate for the China-wide entity, which is 255.07 percent; and (4) for all non-China exporters of subject merchandise that have not received their own rate, the cash deposit rate will be the rate applicable to China exporter(s) that supplied that non-China exporter. These deposit requirements, when imposed, shall remain in effect until further notice.

Notification to Importers

This notice also serves as a preliminary reminder to importers of their responsibility under 19 CFR 351.402(f)(2) to file a certificate regarding the reimbursement of antidumping and/or countervailing duties prior to liquidation of the relevant entries during this review period.

Failure to comply with this requirement could result in Commerce's presumption that reimbursement of antidumping and/or countervailing duties occurred and the subsequent assessment of double antidumping duties.

Notification to Interest Parties

These preliminary results of administrative review are issued and published in accordance with sections 751(a)(1) and 777(i)(1) of the Act and 19 CFR 351.213(h)(1).

Dated: August 31, 2021.

James Maeder,
Deputy Assistant Secretary
for Antidumping and Countervailing Duty Operations.

Appendix

List of Topics Discussed in the Preliminary Decision Memorandum

- I. Summary
- II. Background
- III. Extension of the Preliminary Results
- IV. Scope of the Order
- V. Discussion of Methodology
- VI. Recommendation

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